

HOUSE BILL NO. 1186

Introduced by

Representatives Aarsvold, Wall

Senators Heitkamp, Lindaas, Tallackson, Urlacher

1 A BILL for an Act to amend and reenact sections 57-20-20, 57-20-21, and 57-23-06 of the North
2 Dakota Century Code, relating to property taxes paid under protest and hearings on
3 applications for abatement; and to provide an effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 57-20-20 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-20-20. Payment of tax under protest - Determination of uncontested amount.**

8 Any person against whom any tax is levied, or who may be required to pay the same, may pay
9 such tax under protest to the county treasurer, by giving notice in writing to such treasurer at
10 the time of payment, specifying the reasons for such protest, and thereafter, within sixty days,
11 that person may apply in writing to the board of county commissioners for an abatement,
12 adjustment, or refund of taxes thus paid, or any portion thereof, and if such application is
13 rejected, in whole or in part, or if the board fails to act upon the person's application within sixty
14 days, it shall notify the applicant of the disposition of the person's application and of the
15 person's right to appeal as provided by law. The application to the board of county
16 commissioners must show the post-office address of the taxpayer and notice to such address
17 by registered or certified mail is sufficient service of the notice of rejection or approval of the
18 taxpayer's application.

19 The uncontested amount of taxes paid under protest is the amount of taxes that would
20 be payable if the application for abatement, adjustment, or refund is approved by the board of
21 county commissioners as submitted.

22 **SECTION 2. AMENDMENT.** Section 57-20-21 of the North Dakota Century Code is
23 amended and reenacted as follows:

1 **57-20-21. Segregation of contested amount of taxes paid under protest.**

2 Whenever taxes have been paid under protest, the county treasurer shall deduct the
3 uncontested amount of the taxes paid under protest as determined under section 57-20-20 and
4 keep the contested amount of the money thus paid and collected in a separate fund known as
5 "taxes paid under protest fund" and such moneys. The uncontested amount of taxes paid
6 under protest may be allocated immediately as provided by law. The amount deposited in the
7 taxes paid under protest fund may not be paid or disbursed to the state, to any fund of the
8 county, nor to any local taxing district, until the period prescribed in section 57-20-20 has
9 expired, and in case an action is commenced, the county treasurer shall retain the contested
10 amount in such fund, until such action is finally determined, ~~that part or portion of the tax paid~~
11 ~~under protest which the plaintiff in the complaint contends is invalid or illegal.~~

12 **SECTION 3. AMENDMENT.** Section 57-23-06 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **57-23-06. Hearing on application.**

- 15 1. Within ten days after receiving an application for abatement, the city auditor or the
16 township clerk shall give the applicant a notice of a hearing to be held before the
17 governing body of the city or township, or such other committee as it may
18 designate, in which the assessed property is located. Said hearing must be set for
19 no more than sixty days after the date of the notice of hearing, and in any event,
20 must be held before the recommendations provided for in subsection 2 are made.
21 The applicant may waive, in writing, the hearing before such governing body or
22 designated committee at any time before the hearing. Any recommendations
23 provided for in subsection 2 must be transmitted to the county auditor no more than
24 thirty days after the date set for the hearing. The provisions of this subsection do
25 not apply to applications for abatement pursuant to section 57-02-08.2.
- 26 2. At the next regular meeting of the board of county commissioners following the
27 filing of an application for abatement or, if forthcoming, at the next regular meeting
28 of the board of county commissioners following transmittal of the recommendations
29 of the governing body of the municipality, the applicant may appear, in person or
30 by a representative or attorney, and may present such evidence as may bear on
31 the application. The applicant shall furnish any additional information or evidence

1 requested by the board of county commissioners. The recommendations of the
2 governing body of the municipality in which such assessed property is located must
3 be endorsed upon or attached to every application for an abatement or refund, and
4 the board of county commissioners shall give consideration to such
5 recommendations. The board of county commissioners, by a majority vote, either
6 shall approve or reject the application, in whole or in part. If rejected, in whole or in
7 part, a written explanation of the rationale for the decision, signed by the chairman
8 of the board, must be attached to the application, and a copy thereof must be
9 mailed by the county auditor to the applicant at the post-office address specified in
10 the application.

11 3. At a hearing before the board of county commissioners on an application for
12 abatement, the applicant or the applicant's representative or attorney is limited to
13 the relief claimed in the application for abatement submitted to the board of county
14 commissioners. The applicant or applicant's representative or attorney may not
15 submit evidence during a hearing on an application for abatement suggesting a
16 lower valuation, a lower tax levy, or a different taxable status than was requested in
17 the application for abatement submitted to the board of county commissioners.

18 **SECTION 4. EFFECTIVE DATE.** This Act is effective for property taxes paid under
19 protest after July 31, 2007.